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November 15, 2013

ADDENDUM # 2

RFP# 7523366

Title: Predictive Modeling for Rhode Island's Health Benefit Exchange

Bid Closing Date & Time: Thursday, December 12, 2013 @ 10:00 AM (ET).

Notice to Vendors: Attention All Bidders

1. Extension of Question Period:

The original RFP # 7523366- Predictive Modeling for Rhode Island's Health Benefit Exchange question period closing date has been changed from **October 22, 2013 @ 10:00 AM (ET) to November 21, 2013 @ 10:00 AM (ET).**

2. Clarification of RFP Proposal 7523366 Sections, see attached.

3. State Responses to Vendor Questions, see attached.

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Interdepartmental Project Manager

Interested parties should monitor this website, on a regular basis, for any additional information that may be posted.

CLARIFICATION OF RFP #7523366 Predictive Modeling for Rhode Island's Health Benefit Exchange, is hereby revised as follows:

Section 1: Introduction.

Paragraph 2 is amended as below:

The initial contract period will last **twelve months** with three (3) one year option years. Contracts may be renewed for up to three additional 12-month periods based on vendor performance and the availability of funds.

Section 5: Cost Proposal

Entire section replaced by the following:

The budget for this project is not to exceed \$2 Million for the 12-month period of 1/1/14-12/31/14. The components of this budget are shown below:

Budget RFP #7523366 Predictive Modeling for Rhode Island's Health Benefit Exchange 12-month period of 1/1/14-12/31/14	
Component	Total
Consultants/contractors	\$2,000,000
TOTAL Predictive Modeling Budget	Not to exceed \$2,000,000

Bidders are required to submit a rate card with a list of positions and associated hourly rates and respondents will be evaluated based on the relative competitiveness of their average hourly rate. The positions listed in the rate card must match the positions listed in Appendix C – Project Staffing Form.

The cost proposal must include a listing of positions and associated fully loaded rates, which should be inclusive of all administrative support and contract management related costs. No additional expenses will be allowed.

Section 6: Evaluation and Selection

Entire section replaced by the following:

Proposals will be reviewed by a Technical Review Committee comprised of staff from state agencies. To advance to the Cost Evaluation phase, the Technical Proposal must

receive a minimum of 49 (70%) out of a maximum of 70 technical points. Any technical proposals scoring less than 49 points will not have the cost component opened and evaluated. The proposal will be dropped from further consideration.

Proposals scoring 49 technical points or higher will be evaluated for cost and assigned up to a maximum of 30 points in cost category, bringing the potential maximum score to 100 points. The RI Health Benefits Exchange reserves the exclusive right to select the individual(s) or firm (vendor) that they deem to be in its best interest to accomplish the project as specified herein; and conversely, reserves the right not to fund any proposal(s).

Proposals will be reviewed and scored based upon the following criteria:

Criteria	Possible Points
Staff Qualifications	20 Points
Capability, Capacity and Qualifications of the Offeror	20 Points
Quality of the Workplan	15 Points
Suitability of Approach/Methodology	15 Points
Total Possible Technical Points	70 Points
Cost calculated as lowest responsive average hourly rate divided by (this average hourly rate) times 30 points *	30 Points
Total Possible Points	100 Points

*The lowest average hourly rate for similarly qualified professional staff will receive one hundred percent (100%) of the available points for cost. All other bidders will be awarded cost points based upon the following formula:

(lowest average hourly rate / vendor's average hourly rate) * available points

For example: If the low bidder (Vendor A) has an average hourly rate of \$100/hr and Vendor B's is \$200/hr and the total points available are thirty (30), Vendor B's cost points are calculated as follows:

$$\$100 / \$200 * 30 = 15$$

Points will be assigned based on the offeror's clear demonstration of his/her abilities to complete the work, apply appropriate methods to complete the work, create innovative solutions and quality of past performance in similar projects.

Applicants may be required to submit additional written information or be asked to make an oral presentation before the technical review committee to clarify statements made in their proposal. Applicants may be required to submit additional written information or be asked to make an oral presentation before the Technical Review Committee to clarify statements made in their proposal.

Appendix B: Budget Form – 12-month Project Budget
Entire section replaced by the following:

Appendix B: Rate Card - List of positions needed to execute this 12-month project and associated fully loaded hourly rates. A template is attached and replaces the original electronic Appendix B: Project Budget Form –

Note: Please only list professional services positions, as costs associated with administrative services and contract management should be accounted for in the fully loaded rates. Additionally, the positions listed in the rate card must match the positions listed in Appendix C – Project Staffing Form.

Appendix B	
Fully Loaded Rate Card	
VENDOR NAME:	
Name, Position Title	Hourly Rate, fully loaded. \$

Vendor Questions for RFP #7523366 Predictive Modeling for Rhode Island's Health Benefit Exchange

Question 1: Regarding Task One on pg 6, would the state provide a more detailed description of each of the data sources/types listed within the four bulleted points? We are especially interested in descriptions for data sources/types in bullets two and three.

Answer to question 1:

Public datasets will be available in their respective formats to the winning bidder after a PO is issued. State datasets will either be provided through an extract file or access to a restricted file through an ad-hoc tool such as Pentaho, Business Objects, Linkvision, etc.

Question 2: What is the budget (per year) for this initiative?

Answer to question 2:

The budget for this initiative is \$2 Million; however, the State would like to receive the best value for services.

Question 3: The Exchange Establishment Level Two application indicates that "Rhode Island is committed to collaborating with the New England Consortium for technical components of Rhode Island's Exchange, as appropriate and feasible." What role, if any, does the New England Consortium have in the scope of work and tasks outlined in this RFP? Does the State envision potential re-use of advanced analytic solutions developed for this project? If so, under what kind of arrangement/terms?

Answer to question 3:

At this time the state does not envision reuse of solutions developed by the New England Consortium for purposes of the work described in this RFP.

Question 4: Is the MBE participation part of the scoring of the technical proposal? Alternatively, is an MBE plan required only of the winning bidder, i.e. after the award? (Section 1, Introduction, para 14)

Answer to question 4:

No, MBE participation is not part of the technical scoring. Yes, the MBE plan is only required of the winning bidder.

Question 5: Does this project involve only the individual health insurance Section 3, General Scope of Work market or does it include the small business (SHOP) or Medicaid managed care markets? (Section 3, General Scope of Work)

Answer to question 5:

This project is intended to focus primarily on the individual and small business commercial markets. However, some work may be analyzed in context with other market segments.

Question 6: What data is available for the uninsured population, now and going forward? Will there be any non-survey, person-level data available for this population? (Section 3, Task One)

Answer to question 6:

Data on the uninsured population is primarily available from state and national surveys; however, there may be some supplemental public datasets, such as hospital discharge data. Other data sources may become available over the course of the project.

Question 7: Specifically, will data from the Rhode Island APCD be available for this project? If so, can you describe the format of the APCD records? (Section 3, Task One)

Answer to question 7:

The APCD is still under development.

Question 8: Is there other personal-level or aggregate information available on Rhode Island residents' insurance plan choices and these residents' medical history or risk characteristics? (Section 3, Task One)

Answer to question 8:

It is the responsibility of the vendor to research other information that may be available and useful to the completion of the tasks in this RFP.

Question 9: What specific data from the RI HBE will we have access to?

- Will we have access to the QHP data from SERFF?
- Will this include the plan benefit and rate data from SERFF?
- Are you capturing any NCQA metrics from your data interface with SERFF?
- Will we have access to the plan enrollment data or the individual 834s? (Section 3, Task One)

Answer to question 9:

The issuers submit all of the Federal Templates in SERFF, including the Accreditation template. There is not currently a direct electronic interface between SERFF and RI's

Exchange system, but HSRI has access to the template data. Note that only Accreditation status is submitted via SERFF through the template. Metrics like HEDIS results are not captured in the templates.

Question 10: Does the RI HBE plan on gathering any HRA information in the near future? (Section 3, Task One)

Answer to question 10:

Specific additional data gathering plans are not yet available. It is the responsibility of the vendor to research/recommend other data gathering strategies.

Question 11: Can the State supply the file formats or data exchange formats, wsdl definitions, or Interface Control Documents outlined in page 6 under Internal Exchange Interfaces (UHIP, NFP, Connexions CRM), SERFF, FairHear, OHIC, HR System, RIFANs)? (Section 3, Task One)

Answer to question 11:

Once the contract and PO has been finalized with the winning vendor, then the State datasets will either be provided through an extract file or access to a restricted file through reporting software such as Pentaho, Business Objects, Linkvision, etc.

Question 12: How extensively has Rhode Island surveyed residents' health insurance current and future needs? In what format are the results stored? Are survey results accessible to the public (and if so, where)? What are the states' current plans for future surveys? (Section 3, Task Two-Three)

Answer to question 12:

Federal survey data for Rhode Island (ACS, CPS, BRFSS, etc) is available from the appropriate federal agency websites. Rhode Island performed a Household Insurance Survey during 2012. The results are not currently publicly available but will be made available to the winning vendor. Results are stored in Excel and SPSS formats. The state is still determining when the household survey will be repeated.

Question 13: It is challenging to acquire health care utilization and medical history data on the uninsured population. One possibility is to use hospital discharge records. Does Rhode Island have a hospital discharge dataset that could be available for the HBE predictive modeling? (Section 3, Task Two-Three)

Answer to question 13:

Rhode Island does have a hospital discharge dataset and it can be made available to the selected vendor.

Question 14: For Task 3, has the State already developed a BAA agreement? If so, can this be released for review by prospective vendors? (Section 3, Task Three)

Answer to question 14:

In the event that protected health information or other confidential data must be shared by the Exchange with the vendor, the vendor shall be required to execute a Business Associate Agreement Data Use Agreement. This agreement will be supplied upon vendor selection.

Question 15: What is the projected size of the data user/analyst community and what level of consulting and user support will the users need? (Section 4, Technical Proposal, para 4)

Answer to question 15:

The users of the predictive modeling analysis will consist of the Exchange staff and related consultants. The state will work with the vendor to determine the necessary level of support for these users.

Question 16: What is your understanding of consumer needs and requirements when utilizing the HBE to purchase insurance? Are there surveys that report the features that would attract users? (Section 4, Technical Proposal, para 4)

Answer to question 16:

Analysis and discovery of market needs is a key objective of this contract

Question 17: Has the state budgeted a specific amount for HBE predictive modeling?(Section 5, Cost Proposal)

Answer to question 17:

See response to question # 2.

Question 18: Please clarify whether the Appendix D Work plan should be used in the Technical Proposal Section 3, the Cost Proposal, or as an Appendix to Technical Proposal Section 3. (Appendix D)

Answer to question 18:

The Workplan appendix should be an Appendix to the Technical Proposal. See page 9 of the RFP, “Within the 15 page limit, the vendor should include a high-level timeline/work plan for achieving key milestones. A detailed timeline/work plan may be included as an attachment that will NOT be included in the 15- page limit for the technical proposal.”

Question 19: Please clarify whether the Appendix D Work plan should be used in the Technical Proposal Section 3, the Cost Proposal, or as an Appendix to Technical Proposal Section 3. (Section 7, Proposal Submission)

Answer to question 19:

The Workplan appendix should be an Appendix to the Technical Proposal. See page 9 of the RFP, “Within the 15 page limit, the vendor should include a high-level timeline/work plan for achieving key milestones. A detailed timeline/work plan may be included as an attachment that will NOT be included in the 15- page limit for the technical proposal.”

Question 20: Under “Specific Requirements” section, you mentioned regarding setting up, supporting, and maintaining ongoing operational environment for advanced analytics. Would you be interested with us hosting an analytic database for you?

Answer to question 20:

Hosting costs should not be included in the bid. If the state decides to have the vendor host a large analytic database, hosting will be paid for separately.

Question 21: What types of business problems are you trying to solve (ex: response rate is low, limited ability to actively engage customers)?

Answer to question 21:

The State is looking to develop the capacity and information to support any business problems that may arise, such as these and others.

Question 22: What are the contributing factors to those problems specified in Question #2?

Answer to question 22:

Analysis and discovery of market needs is a key objective of this contract.

Question 23: What decisions related to Question #2 and #3 would you like to improve?

Answer to question 23:

Identification of potential business problems, contributing factors, and levers for improvement are key goals of this predictive modeling effort.

Question 24: What kind of analytic models and strategies are you currently using? What's the objective of those models/strategies?

Answer to question 24:

The state is using many different analytic models and strategies; for example, the state is currently using existing datasets to identify basic populations for targeted outreach strategies.

Question 25: How many products do you want to include in this project? What are they?

Answer to question 25:

There are three tasks as defined in Section 3. Vendor work plans should include specific activities, deliverables and timelines. Analysis and discovery of market needs, including product identification, is a key objective of this contract.

Question 26: How many marketing offers do you want to include in this project? What are they?

Answer to question 26:

Analysis and discovery of market needs including product identification is a key objective of this contract.

Question 27: What kind of marketing campaigns have you done in the past? Can you kindly share the high level metrics (ex: response rate, etc)

Answer to question 27:

Our marketing campaign began in earnest on October 1. Currently available metrics from our fifth week of operation, Sunday, Oct. 27, through Saturday, Nov. 2:

Contact Center calls: 3,508
Contact Center walk-ins: 558
Unique Website visits: 11,825
Total Website visits: 13,778
Accounts Created: 1,922
Completed and Processed Applications: 880

An “account created” is defined as an individual who has created a username and password.

A “completed and processed application” is defined as an individual who has supplied all of the necessary information, had that information verified, and has selected a plan. Payment was either made or is pending.

Coverage for all plans begins on January 1, 2014.

Since open enrollment began on Oct. 1, HealthSource RI has reported:

Contact Center calls: 18,977
Contact Center walk-ins: 1,798
Unique Website visits: 101,135
Total Website visits: 119,352
Accounts Created: 11,609
Completed and Processed Applications: 4,642

HealthSource RI reports volume totals for Contact Center calls and walk-ins, as well as Website visits, accounts created, and completed and processed applications, for the prior week on a weekly basis. Monthly enrollment data reporting is expected to begin during the second week in November.

Question 28: Please elaborate on the support needed related to strategic planning, marketing and product development efforts.

Answer to question 28:

Vendors should provide detail on proposed level of support needed to complete the tasks in this project.

Question 29: Will the predictive model results need to be accessed in real-time through the Rhode Island exchange? Example: potential website visitor applies for coverage at <http://www.healthsourceri.com/> which would generate and display specific plan options to the applicant based on the predictive model.

Answer to question 29:

Whether or not this functionality is required will depend on the information, analysis and insights resulting from this work.

Question 30: If the model will be accessed real-time through the existing exchange website, what will be the API interface type?

Answer to question 30:

See answer to 29 above.

Question 31: Does the scope of the predictive modeling include third party insurance exchange companies and Rhode Island Medicaid?

Answer to question 31:

This project is intended to focus primarily on the individual and small business commercial markets. However, some work may be analyzed in context with other market segments.

Question 32: Will the predictive models need to be applied to individual, family and small business insurance products?

Answer to question 32:

Yes

Question 33: Will the exchange or insurance companies provide historical patient enrollment data, or will the models need to be built moving forward?

Answer to question 33:

Some aggregate historical enrollment data is available from the Office of the Health Insurance Commissioner (OHIC), and additional data may be requested as part of this project.

Question 34: To what extent is the purpose of this RFP to develop and operationalize models that would be Rhode Island specific (and consider the nuances of the state's exchange marketplace and participants) vs. deploy pre-built models within an application?

Answer to question 34:

The purpose of this RFP is to develop and operationalize Rhode Island specific models; a recommendation on the model to employ (or options) should be defined as part of the proposal.

Question 35: What are the agency's expectations for application management in this project?

Answer to question 35:

The state is procuring specific expertise in this project in order to advise the state in these types of technical decisions.

Question 36: Who is the intended audience or user of the results from these models?

Answer to question 36:

The intended audience is HSRI staff and consultants.

Question 37: On page 6, the RFP indicates an interest in "analysis to support specific Exchange products and services; for example, decision support tools to assist Rhode Islanders in choosing their health insurance plan, health insurance product, provider..." Please elaborate on how the agency expects the results of the analyses to be distributed and presented to potential audience members?

Answer to question 37:

The resulting business decisions and products and services from this analysis may result in specific decision support tools, the creation of which is outside the scope of this RFP.

Question 38: On page 6, the RFP lists a variety of internal and external databases to be included in the base models. Please define each of the databases and clarify how the vendor will obtain access to each database. Does the agency anticipate that there will be a cost to the vendor to obtain any of these databases for this project?

Answer to question 38:

Publicly available datasets are currently available online. The state will work with the vendor to ensure that the vendor has access to the internal databases. The cost of any fee-

based databases that are required as a result of work conducted on this project will be considered outside the scope of this RFP.

Question 39: On page 6, the RFP indicates that “the vendor must clean and format the data to facilitate analysis, and to ensure that output from these datasets is in user-friendly files.” Does the agency anticipate that its own staff will access these raw databases? If so, please provide additional information on how staff will use these data, how many staff will require access, how frequently they will access the data, the tools or types of tools with which they will access the data, whether those tools are to be provided by the vendor, and what level of programming, data, and analytical expertise the vendor should assume these staff will have.

Answer to question 39:

The vendor must work with exchange staff to support analytics operations – that is, to maintain, manage and provide training on models to support ongoing strategic planning, marketing and product development efforts. The users of the predictive modeling analysis will consist of the Exchange staff and related consultants. The state will work with the vendor to determine the necessary level of support for these users.

Question 40: Please describe how this project relates to the Health Benefit Exchange reporting and evaluation RFP the state recently released. Are bidders precluded from bidding on both RFPs? Can a single vendor qualify and be awarded both of these projects?

Answer to question 40:

The reporting and evaluation RFP (#7521370) solicits vendors “to provide reporting and evaluation expertise to support the successful enrollment of individuals, families and small businesses in health coverage through the Exchange”. This predictive modeling RFP solicits vendors to “perform complex analysis and predictive modeling to support the design and development of marketing, strategic planning, and product development at the Exchange”.

Bidders are allowed to bid on both RFPs, however each RFP will be evaluated separately.

Question 41:

1. What is the budget for this project?

Answer to question 41:

See the response to question #2.

Question 42: Will the agency consider time and materials bids for this project?

Answer to question 42:

Bidders will be paid on a time and materials basis based on fully loaded rates for all personnel, as described in section 5.

Question 43: Is there an incumbent for this project? If so, who is the incumbent?

Answer to question 43:

No.

Question 44: Does the agency plan to own the models and other products created under this project? If so, will vendors be expected to provide all work products, code, and data resulting from this project to the state? If so, will the state grant the vendor a royalty-free license to allow the vendor to use the code in future engagements with other customers?

Answer to question 44:

The state shall retain and maintain ownership of any work products, including third party software products and custom developed source code and datasets. Any deviation from this definition requires prior approval.

Question 45: What is the expected start date of the project?

Answer to question 45:

The contract will begin as soon as the procurement process is completed. The vendor should propose a reasonable schedule for beginning and completing each task as part of their workplan.

Question 46: **General:** What budget amount has OSC allocated for this project?

Answer to question 46:

See the response to question #2.

Question 47: **General:** Would the State consider a proposal offering a combined solution for this RFP and RFP No. 7521370 (Reporting and Evaluation for Rhode Island's Health Benefit Exchange)? This solution would involve price and scope efficiencies that we believe would be beneficial to the State.

Answer to question 47:

Bidders are allowed to bid on both RFPs, however each RFP will be evaluated separately. However, vendors could note potential efficiencies should they be awarded both.

Question 48: **General:** We understand that the State also has a Continuous Recruitment (CR) vehicle through which it can contract for a number of categories of consulting work relative to the ACA. The CR vehicle provided a three-category structure based on contract value and other factors. Are bidders to assume that the budget for this project will exceed the \$500,000 threshold for the CR vehicle?

Answer to question 48:

Please see answer to question 2 above.

Question 49: **Cost Proposal:** Is there a Cost Proposal template that is required to be completed and submitted as part of the bidder's Cost Proposal? If so, please provide this template.

Answer to question 49:

The cost proposal template (Appendix B) is available in this addendum, please see page 4 and 5 of this addendum.